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Attached you will find the additional data you requested on 20 August. As for Malaysian spending, Prime Minister Mahathir launched an ambitious development program upon assuming office in 1981. The program has been slashed in this year's budget to keep debt service within comfortable limits.

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Again, if you have any further questions, please call [redacted]

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[redacted]

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Deputy Director
Office of European
Analysis

23 AUG 1984



E U R A

Office of European Analysis
Directorate of Intelligence

[redacted]

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EUR M 84-10183

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EURM84-10183

Selected East Asian Countries:
General Government Revenues as a Share of GDP

						Percent
	<u>Japan</u>	<u>South Korea</u>	<u>Taiwan*</u>	<u>Malaysia</u>	<u>Singapore</u>	<u>Thailand</u>
1960	18.8	NA	19.5	NA	17.0	NA
1970	21.1	20.0	22.7	NA	21.8	14.3
1971	22.1	20.2	21.9	NA	21.5	13.8
1972	22.0	20.1	21.1	NA	21.4	13.1
1973	22.8	17.1	22.0	18.2	21.7	12.6
1974	25.2	18.3	21.3	21.0	20.3	14.1
1975	24.5	21.6	22.9	23.0	23.1	13.1
1976	24.1	21.7	23.7	22.0	21.6	12.9
1977	25.3	23.2	23.7	24.0	22.2	13.7
1978	25.2	19.9	24.1	23.3	21.1	13.9
1979	27.2	23.9	24.6	23.3	22.9	14.1
1980	28.6	24.9	25.4	26.9	25.1	13.9
1981	30.1	23.3	25.7	28.2	28.8	14.2
1982	30.9	25.7	26.8	NA	NA	13.7
1983	31.4**	22.1	22.7	NA	NA	15.5

* Fiscal year ending 30 June.

** Estimate.

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Thailand: General Government Spending
as a Share of GNP

	Percent	
	<u>Total</u>	<u>Social</u>
1960	NA	NA
1970	17.9	NA
1971	18.8	NA
1972	17.5	NA
1973	15.0	1.5
1974	13.3	1.4
1975	15.6	1.5
1976	17.7	1.6
1977	16.8	1.6
1978	16.7	1.6
1979	16.5	1.6
1980	17.7	1.5
1981	17.0	1.5
1982	18.6	1.9
1983	18.0	NA

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Memorandum for:

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Attached are the data that you requested in your telephone call of 9 August. We were unable to get data on Hong Kong government spending because the Hong Kong national income accounts lump government in with all other non-profit institutions.

If you have any further questions, please call

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Director
Office of European Analysis



Director,

E U R A

Office of European Analysis

European Community: General Government Expenditures**As a Share of GDP****Percent**

	<u>1960</u>	<u>1970</u>
European Community	32.1	37.9
West Germany	32.0	37.6
France	34.6	38.9
United Kingdom	32.6	39.4
Italy	29.9	33.4
Belgium	30.5	36.5
Denmark	25.5	43.1
Greece	23.8	29.1
Ireland	26.7	40.1
Luxembourg	29.3	33.4
Netherlands	33.2	44.7

European Community: General Government Social Spending as a Share of of GDP

	Percent												
	1960	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
European Community	NA	12.0	12.2	12.8	12.8	13.5	15.4	15.5	15.8	16.1	16.1	16.4	16.9
West Germany	10.5	11.3	11.4	12.0	12.1	13.1	15.9	15.8	15.7	15.3	15.0	14.9	15.6
France	NA	15.2	15.3	15.5	15.8	16.4	18.5	18.7	19.4	20.3	20.7	21.2	22.4
United Kingdom	6.2	7.9	7.7	8.6	8.1	8.8	9.1	9.6	9.9	10.3	10.3	10.7	12.0
Italy	11.9	12.4	13.1	13.9	13.8	13.7	15.6	15.6	15.2	16.5	15.7	15.8	17.4
Belgium	11.3	14.1	14.2	14.9	15.4	15.9	18.8	19.3	20.0	20.4	20.9	21.2	22.8
Denmark	NA	11.1*	11.2	11.4	11.1	12.0	13.8	13.5	14.1	14.9	15.4	16.6	17.5
Greece	5.3	8.0	8.0	7.6	6.8	7.1	7.4	7.7	8.5	9.2	8.8	9.3	10.2
Ireland	NA	9.3	9.5	9.3	10.2	11.4	12.9	12.9	12.1	11.8	11.9	13.4	13.6*
Luxembourg	NA	14.0	15.3	15.9	14.8	14.1	19.9	20.7	22.6	22.4	22.2	22.8	23.0*
Netherlands	7.9	16.4	17.5	18.4	19.1	20.4	22.7	23.0	23.6	23.2	24.1	24.8	25.9

* Estimate

Selected East Asian Countries:

General Government Spending as a Share of GDP

Percent

	<u>Japan</u>	<u>South Korea</u>	<u>Taiwan*</u>	<u>Malaysia</u>	<u>Singapore</u>
1960	NA	NA	19.1	NA	17.6
1970	19.3	16.4	20.4	NA	20.6
1971	20.8	16.6	19.6	NA	21.1
1972	21.8	17.4	18.5	NA	19.4
1973	22.1	12.5	17.2	21.7	21.1
1974	24.5	13.8	15.2	22.7	20.3
1975	27.3	15.7	18.9	26.8	22.4
1976	27.9	16.1	18.4	26.3	21.9
1977	29.0	12.6	20.8	27.9	22.5
1978	31.1	15.4	20.3	25.2	21.4
1979	31.6	17.4	18.9	22.8	23.1
1980	32.4	18.9	20.4	29.3	25.0
1981	34.5	18.7	22.1	48.8	29.1
1982	34.5	19.0	23.4	45.1	29.4
1983	34.5**	NA	24.1	42.4	25.7**

* Fiscal year ending 30 June.

** Estimate.

Selected East Asian Countries:

General Government Social Spending as a Share of GDP

Percent

	<u>Japan</u>	<u>South Korea</u>	<u>Taiwan</u> [*]	<u>Malaysia</u>	<u>Singapore</u>
1960	NA	NA	1.3	NA	6.3
1970	4.6	4.3**	2.1	NA	5.3
1971	4.8	4.5**	2.2	NA	4.7
1972	5.1	4.6**	2.6	NA	4.5
1973	5.2	3.7**	2.1	2.3	4.8
1974	6.2	1.1	1.8	2.3	4.7
1975	7.8	1.5	2.2	2.6	4.9
1976	8.5	1.2	2.4	2.2	4.8
1977	9.0	1.2	2.5	2.6	4.7
1978	9.5	1.2	2.5	2.7	4.7
1979	10.0	1.5	2.5	2.3	4.8
1980	10.2	1.6	2.6	2.8	4.5
1981	10.8	1.6	3.1	3.5	4.6
1982	NA	1.7	3.9	3.4	5.0
1983	NA	NA	4.1***	3.1	5.7***

* Fiscal year ending 30 June.

** Includes education and housing expenditures.

*** Estimate.

MEMORANDUM FOR:

Talking points prepared [redacted] for George Kolt, NIO/Europe, who is preparing talking points for the DCI.

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Patti

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EURM 84-10189

M. K. H. L. T.
11/10/1984
26 Aug 84

Q: How will things look in six months?

A: Not much different from the way they look now except that there may be some more disappointment that the regime has missed another opportunity to create a national consensus.

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Comment: In freeing the remaining political prisoners Jaruzelski has taken another calculated risk, similar to those he took earlier in releasing internees (including Walesa) and in formally ending martial law. He believes he is dealing from a position of strength. Each of these previous actions can be attributed to several motives: 1) He is interested in reestablishing economic relations with the West and 2) Martial law and political prisoners do not fit into how he believes the system should run or seen to be run. He is counting on the proven capability of the security services to control and monitor anti-regime activity. In addition he is probably counting on the fact that after the initial euphoria has died down, those released will find there is little enthusiasm for active open opposition activity. He will tolerate a certain amount of activity--contributions to the underground press, small group consultations, and participation in some efforts to create a "parallel society." Broader efforts that would leave the public impression that Solidarity lives--largescale "reunions" or efforts to reestablish links with the workers will not be tolerated. We believe he is willing to put people back in jail for political activities.

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EURM84-10187

The key question concerns how far the Solidarity 11 and others will go in challenging the authorities. Those previously released, including Walesa, have generally trod a very careful course. Those most recently released (including Kuron and Michnik) have also indicated they need time to assess current reality.

In the next six months we would not be surprised to see several of the 11 essentially drop out of political activity on the pattern of the former TKK leader Hardek from Krakow. We would not expect any of them to go underground since that line of march has generally been discredited. That means that most will undertake activities on the fringes of legality, testing the officials' tolerance of overt activity. For their efforts, they will be subjected to intense surveillance and a variety of forms of harassment, possibly including 48 hour detention. There will be much debating and discussion of future action, some of it carried out in the underground press and some in personal contacts. In the process, Walesa's status as symbolic leader will probably be questioned. The most important subject of debate may, however, be whether opposition activity should be funneled through the legal unions. The debates probably will demonstrate that they do not see any immediate prospects for achieving their goals of union pluralism but that they must prepare for some indefinite time in the future when conditions will be ripe.

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